ARTICLE APPEARED ON PAGE 70

3 February 1987

Reagan to Name Robert Gates to Succeed CIA Chief Casey as Top Intelligence Aide

By JOHN WALCOTT

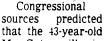
Staff Reporter of The Wall Street Journal

WASHINGTON - President Reagan will nominate Robert Gates, a career intelligence analyst, to succeed William Casey as director of central intelligence, the White House announced.

White House spokesman Marlin Fitzwater said Mr. Casey, who is 73 years old and was operated on Dec. 18 for the removal of a cancerous brain tumor, stepped down voluntarily because he realized he wouldn't soon be able to return to his post as the nation's top intelligence officer. President Reagan accepted the resignation of Mr. Casey, a longtime personal friend, "with reluctance and deep regret," Mr. Fitzwater told reporters.

As director of central intelligence, Mr. Gates will in effect hold two jobs—one as

Intelligence Agency and another as the nation's top intelligence officer coordinating the activities, budgets and products of all U.S. intelligenceagencies—including the Defense Intelligence Agency and the National Security Agency.





Robert Gates

Mr. Gates will win Senate confirmation. Intelligence professionals yesterday praised Mr. Gates's skills as an analyst who has specialized in strategic nuclear weapons and in Soviet affairs, and as a bureaucrat who helped reform the CIA's analytical arm and improve the agency's relations with other government agencies.

Praise also came from Adm. Bobby Ray Inman, a former head of the National Security Agency and deputy director of the CIA who had argued that the CIA needs an intelligence professional at its head to provide stability and continuity. Adm. Inman called Mr. Gates "the best possible choice the president could have made."

Mr. Gates isn't likely to have trouble finding outlets for the formidable energy his colleagues say he possesses. Congressional and law enforcement investigators are trying to determine whether CIA officials played a larger role than they've admitted in selling arms to Iran and delivering aid to Nicaraguan rebels. Intelligence

sources said Mr. Gates, acting in Mr. Casey's stead, already has decided to give early retirement next April to the agency's former station chief in Costa Rica, who was deeply involved in aiding the rebels, known as Contras.

But Mr. Gates's first order of business is likely to be rebuilding the agency's relations with Congress, which were strained during Mr. Casey's six-year tenure. Lawmakers were upset by revelations that under Mr. Casey the CIA had neglected to inform Congress of such covert actions as the mining of Nicaraguan harbors, the commissioning of a guerrilla manual for the Contras, and the administration's secret arms sales to Iran.

"Mr. Gates and I have discussed our common goal of making sure that the intelligence committee and the agency will be able to share information and ideas on a completely candid basis," said Sen. David Boren (D., Okla.), chairman of the Senate Intelligence Committee, in a statement. "The establishment of mutual trust between the agency and the intelligence coversight committee will be of great benefit to the committee, the intelligence community and the country."

Lawmakers also have questioned Mr. Casey's involvement in the reported funneling of profits from the administration's secret Iran arms sales to the Contras. He has denied knowing about such diversion before Attorney General Edwin Meese disclosed it last November. But a report by the Senate Intelligence Committee said that Mr. Casey was a major proponent of the arms sales, and that he was warned in early October by an old friend and by his subordinates that profits from the sales might have been diverted.

Mr. Casey, the sources said, also worked closely with Marine Lt. Col. Oliver North, the fired National Security Council staffer who oversaw the Contras' private aid network. It was Mr. Casey, U.S. intelligence sources said, who in 1983 first proposed creating the guerrilla manual for the Nicaraguan rebels—an action for which several lower-ranking CIA officers later were reprimanded.

And some CIA officials who were approached by Col. North for help in delivering aid to the Contras say they were told by their superiors to do what the White House aide told them because Col. North was acting with Mr. Casey's authority and that of the president's national security adviser.

While his standing on Capitol Hill is better than Mr. Casey's, Mr. Gates lacks his

predecessor's close relationship with President Reagan, which helped Mr. Casey win huge increases in the intelligence budget. That relationship also gave the departing CIA director considerable clout as an advocate of aid to the Contras, of efforts to win the release of American hostages in Lebanon, and of the expulsion of Soviet diplomats from the U.S.

A More Dispassionate Approach

Some intelligence officials said that Mr. Casey sometimes ignored the intelligence community's conclusions in making policy recommendations to the president. They said Mr. Gates is likely to provide top policy-makers with more dispassionate, more objective analysis than his predecessor did, and won't be the public advocate for U.S. policies that Mr. Casey was.

Mr. Casey, who had been an operative with the CIA's World War II predecessor, the Office of Strategic Services, or OSS, was a fan of covert action. Mr. Gates, whose experience is as an analyst, endorsed covert action in congressional testimony last year as "an appropriate instrument of foreign policy, as long as it is taken within a broader context."

"Bob is a professional, not a politician," said one senior administration official.
"And what this administration desperately needs is the kind of professional advice that should have kept it out of things like selling arms to Iran through private dealers."

One top administration official said the president's choice of Mr. Gates represents "a recognition that what the CIA needs now is professional leadership." White House officials in recent weeks had been trying to decide whether to name an intelligence officer such as Mr. Gates or a politician such as former Republican Sens. Howard Baker of Tennessee or John Tower of Texas, to replace Mr. Casey.

Mr. Gates has served as Mr. Casey's deputy since last April 18. He oversaw a major overhaul of the agency's analytical division during the four previous years, when he headed the CIA's directorate of intelligence.

Mr. Gates, who holds a doctorate in Soviet history from Georgetown University, was assigned to the staff of the National Security Council from 1974 until 1979. He also has served as the CIA's top Soviet analyst.